

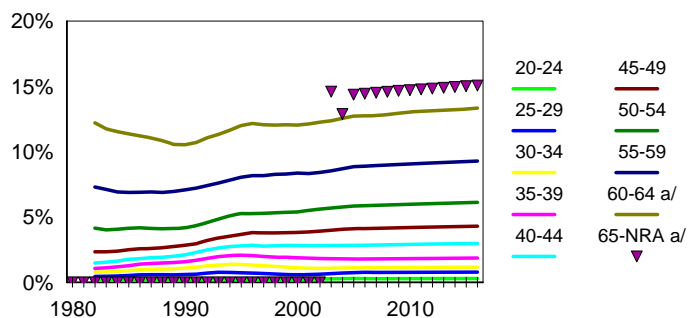
# DISABILITY INSURANCE

## CBO March 2006 baseline

Caseloads in thousands, outlays in billions of dollars

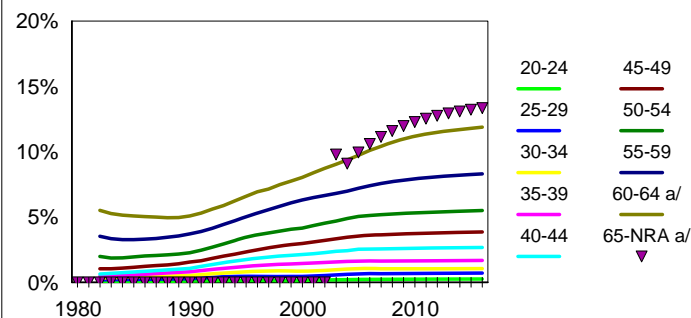
03/02/2006	2000 act	2001 act	2002 act	2003 act	2004 act	2005 est	2006 proj	2007 proj	2008 proj	2009 proj	2010 proj	2011 proj	2012 proj	2013 proj	2014 proj	2015 proj	2016 proj
<b>CALENDAR YEAR</b>																	
<b>Beneficiaries (December 31)</b>																	
Disabled workers																	
Men	2,856	2,952	3,070	3,225	3,373	3,521	3,651	3,780	3,910	4,012	4,114	4,216	4,284	4,338	4,405	4,470	4,528
Women	2,186	2,322	2,474	2,649	2,819	3,003	3,160	3,311	3,459	3,577	3,691	3,802	3,880	3,939	4,006	4,070	4,127
Subtotal	5,042	5,274	5,544	5,874	6,192	6,525	6,810	7,091	7,369	7,589	7,805	8,018	8,164	8,277	8,411	8,540	8,655
Spouses	165	157	152	151	153	157	158	160	162	162	162	162	161	159	158	156	155
Children	1,466	1,482	1,526	1,571	1,599	1,633	1,646	1,654	1,661	1,666	1,668	1,669	1,668	1,666	1,668	1,675	1,687
Total	6,673	6,913	7,221	7,595	7,944	8,314	8,614	8,905	9,191	9,417	9,635	9,849	9,993	10,103	10,237	10,372	10,496
<b>Average benefit (December 31)</b>																	
Disabled workers																	
Men	\$883	\$915	\$936	\$966	\$1,002	\$1,052	\$1,082	\$1,114	\$1,148	\$1,186	\$1,226	\$1,269	\$1,315	\$1,363	\$1,414	\$1,466	\$1,520
Women	\$661	\$689	\$709	\$735	\$765	\$805	\$831	\$858	\$887	\$918	\$951	\$986	\$1,023	\$1,062	\$1,102	\$1,145	\$1,188
Subtotal	\$786	\$815	\$834	\$862	\$894	\$938	\$966	\$994	\$1,025	\$1,059	\$1,096	\$1,135	\$1,176	\$1,220	\$1,265	\$1,313	\$1,362
Spouses	\$198	\$207	\$212	\$221	\$232	\$245	\$253	\$261	\$269	\$278	\$288	\$299	\$310	\$322	\$334	\$347	\$360
Children	\$228	\$238	\$245	\$254	\$265	\$279	\$288	\$297	\$307	\$317	\$329	\$341	\$354	\$368	\$382	\$397	\$412
<b>Average disabled-worker award</b>																	
Men	\$950	\$986	\$1,020	\$1,062	\$1,093	\$1,131	\$1,162	\$1,201	\$1,250	\$1,303	\$1,365	\$1,425	\$1,482	\$1,541	\$1,600	\$1,661	\$1,724
Women	\$698	\$730	\$754	\$787	\$819	\$849	\$874	\$905	\$944	\$986	\$1,035	\$1,083	\$1,129	\$1,176	\$1,223	\$1,272	\$1,323
Total	\$835	\$869	\$898	\$937	\$967	\$1,000	\$1,028	\$1,064	\$1,109	\$1,159	\$1,215	\$1,270	\$1,324	\$1,379	\$1,433	\$1,489	\$1,547
Disabled workers, start of year	4,879	5,042	5,274	5,544	5,874	6,192	6,525	6,810	7,091	7,369	7,589	7,805	8,018	8,164	8,277	8,411	8,540
Awards	622	691	756	778	797	832	795	822	851	878	883	890	901	911	928	936	934
"Exits"	-459	-459	-486	-448	-479	-500	-509	-541	-574	-658	-667	-677	-755	-798	-793	-807	-819
Disabled workers, end of year	5,042	5,274	5,544	5,874	6,192	6,525	6,810	7,091	7,369	7,589	7,805	8,018	8,164	8,277	8,411	8,540	8,655
Exit rate	-9.4%	-9.1%	-9.2%	-8.1%	-8.1%	-8.1%	-7.8%	-7.9%	-8.1%	-8.9%	-8.8%	-8.7%	-9.4%	-9.8%	-9.6%	-9.6%	-9.6%

Disabled workers as a percentage of population  
Male



a. At 62 or older, eligible workers may collect either retired- or disabled-worker benefits. Disabled workers are converted to retired workers at "normal retirement age" (NRA), which climbs from 65 to 66 during this period and eventually to 67.

Disabled workers as a percentage of population  
Female



a. At 62 or older, eligible workers may collect either retired- or disabled-worker benefits. Disabled workers are converted to retired workers at "normal retirement age" (NRA), which climbs from 65 to 66 during this period and eventually to 67.

(continued)

**DISABILITY INSURANCE****CBO March 2006 baseline**

Caseloads in thousands, outlays in billions of dollars

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
03/02/2006	act	act	act	act	act	est	proj	proj	proj	proj	proj	proj	proj	proj	proj	proj	proj
<b>FISCAL YEAR</b>																	
Regular benefits																	
Disabled workers	\$44.2	\$47.6	\$51.8	\$56.3	\$61.3	\$67.0	\$73.8	\$79.3	\$85.0	\$91.2	\$96.3	\$102.4	\$108.7	\$114.6	\$120.5	\$127.0	\$133.7
Spouses	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Children	\$3.8	\$4.0	\$4.2	\$4.5	\$4.8	\$5.1	\$5.4	\$5.7	\$5.9	\$6.1	\$6.3	\$6.6	\$6.8	\$7.1	\$7.3	\$7.6	\$8.0
Subtotal	\$48.4	\$52.0	\$56.4	\$61.2	\$66.5	\$72.5	\$79.6	\$85.4	\$91.3	\$97.8	\$103.1	\$109.5	\$116.1	\$122.2	\$128.5	\$135.3	\$142.3
Retroactive benefits	\$5.8	\$6.2	\$7.8	\$8.6	\$9.6	\$11.3	\$11.1	\$11.9	\$12.7	\$13.3	\$14.0	\$13.8	\$14.7	\$15.5	\$16.4	\$17.3	\$18.3
Total benefits																	
Disabled workers	\$49.1	\$52.9	\$58.6	\$63.7	\$69.7	\$76.9	\$83.6	\$89.8	\$96.3	\$103.1	\$108.8	\$114.7	\$121.8	\$128.5	\$135.2	\$142.6	\$150.2
Spouses	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.5	\$0.5	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.7	\$0.7	\$0.7	\$0.7
Children	\$4.6	\$4.8	\$5.2	\$5.6	\$5.9	\$6.3	\$6.7	\$7.0	\$7.3	\$7.5	\$7.8	\$8.0	\$8.3	\$8.6	\$9.0	\$9.3	\$9.7
Subtotal	\$54.2	\$58.2	\$64.2	\$69.7	\$76.1	\$83.8	\$90.8	\$97.3	\$104.1	\$111.1	\$117.1	\$123.3	\$130.8	\$137.7	\$144.8	\$152.6	\$160.6
Plug	\$0.0	-\$0.0	-\$0.0	\$0.1	\$0.1	-\$0.0	\$0.0	-\$0.0	\$0.0	-\$0.0	-\$0.0	-\$0.0	\$0.0	-\$0.0	-\$0.0	\$0.0	-\$0.0
Outlays (OMB Table 13.1)	\$54.2	\$58.2	\$64.2	\$69.8	\$76.2	\$83.8	\$90.8	\$97.3	\$104.1	\$111.1	\$117.1	\$123.3	\$130.8	\$137.7	\$144.8	\$152.6	\$160.6

**KEY ASSUMPTIONS**

Average wage for indexing	\$32,155	\$32,922	\$33,252	\$34,065	\$35,649	\$36,846	\$38,338	\$39,966	\$41,865	\$43,718	\$45,473	\$47,287	\$49,088	\$50,957	\$52,902	\$54,935	\$57,044
Taxable maximum	\$76,200	\$80,400	\$84,900	\$87,000	\$87,900	\$90,000	\$94,200	\$97,500	\$101,400	\$105,600	\$110,700	\$115,500	\$120,000	\$124,800	\$129,600	\$134,700	\$139,800
PIA for mythical "lifelong average" disabled worker (age 50)	\$1,117	\$1,171	\$1,218	\$1,255	\$1,276	\$1,326	\$1,362	\$1,408	\$1,465	\$1,527	\$1,600	\$1,670	\$1,738	\$1,807	\$1,875	\$1,947	\$2,021
Maximum PIA (age 50)	\$1,741	\$1,836	\$1,924	\$1,994	\$2,035	\$2,120	\$2,182	\$2,258	\$2,352	\$2,454	\$2,571	\$2,687	\$2,796	\$2,909	\$3,022	\$3,138	\$3,260
COLA this calendar year	3.5%	2.7%	1.4%	2.1%	2.7%	4.1%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
Date	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16

By convention, most Social Security program statistics are by calendar year. Benefit payments in the federal government's fiscal year (October through September) roughly track figures for the preceding December--for example, regular benefits in fiscal 2006 approximately equal recipients in December 2005 times their average amount, times twelve. COLAs and a rising NRA complicate that relationship, but it remains a useful rule of thumb.

Details may not add to totals due to rounding. A few beneficiaries are not identified by sex.

Outlays depict benefit costs only and omit vocational rehabilitation and the payment to railroad retirement (which are mandatory) and administrative costs (discretionary).

2001 COLA includes regular COLA (2.6%) in December 2001 plus retroactive 0.1% "mini-COLA" paid in summer 2001 as a result of P.L. 106-554.

"Exits" chiefly represent terminations due to death or conversion to retirement, plus some medical recoveries.

Retroactive benefits chiefly go to newly-awarded disabled workers for past months, including the months spent in processing their applications. Unusually high retroactive payments in 2002 through 2010 stem largely from processing approximately 300,000 awards to current and former SSI recipients that SSA discovered should have received DI based on work performed after they started getting SSI. (SSA announced that finding in July 2001 and initially estimated the number of people at 130,000.) Because SSI is a needs-tested program and offsets DI benefits (except for the first \$20 a month) on a dollar-for-dollar basis, most of the extra DI costs will be offset by reduced SSI benefits and reimbursement for past overpayments. The exact timing of those large reimbursements (paid by DI to the general fund) is very uncertain.

COLA=cost-of-living adjustment, PIA=primary insurance amount, NRA="normal retirement age" (when disabled workers are converted to retired workers).